

OVERHEAD GUIDELINES FOR CONSULTANTS

Summary of Significant Changes-November 2007

Page 1: Clarification on the threshold for the requirement of an AUDIT or REVIEW and that it applies to any one contract or combination of contracts in a given year. The requirements basically are:

< \$100,000:	FULLY LOADED HOURLY RATE	Generally smaller firms, those who are just starting out. Firms who don't do a lot of business with ITD.
≥\$100,000 < \$250,000	REVIEW	
≥ \$250,000	AUDIT	

Adjusted the amount of work able to be performed before a REVIEW is required from \$50,000 to \$100,000.

Page 2: Added emphasis that individual equipment rates must be able to be tracked and audited if they wished to be billed as direct charges.

Provided clarification that direct costs should be shown on the Statement of Direct Labor, Fringe Benefits, and General Overhead as unallowable charges (excluding direct labor). Indirect expenses shown should not initially be shown net of unallowable charges.

Page 3: Additional clarification of the presentation of disallowed costs referred to above (on page 2).

Page 4: Added the requirement to provide a Facilities Capital Cost of Money worksheet if there is a FCCM expense presented, so the calculation can be reviewed.

Emphasis of the ITD limits on what constitutes a reasonable bonus and incentive compensation.

Requirement to provide REVIEWED or AUDITED financial statements depending on the threshold of the work anticipated to be done for ITD.

Page 6: Requirement to submit a copy of the firm's overtime policy and bonus / incentive compensation policy or plan.

Page B-5: Added a requirement to list bonus expense as a separate line item.

Renamed "non-productive salaries" to "indirect labor".